

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: ULTRA PETROLEUM CORP., <i>et al.</i> , ¹ <div style="text-align: right;">Debtors.</div>	§ § § § § § §	Chapter 11 Case No. 16–32202 (MI) (Jointly Administered) Re: Docket No. 875
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**STATEMENT OF THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS IN PARTIAL SUPPORT OF MOTION OF THE
AD HOC COMMITTEE OF UNSECURED CREDITORS OF ULTRA RESOURCES, INC.
FOR AN ORDER (I) APPOINTING A TRUSTEE PURSUANT TO SECTION 1104(a)
OF THE BANKRUPTCY CODE OR (II) IN THE ALTERNATIVE, APPOINTING
INDEPENDENT DIRECTORS TO THE BOARD OF ULTRA RESOURCES, INC.
PURSUANT TO SECTIONS 105(a), 1107(a) AND 1108 OF THE BANKRUPTCY CODE**

The Official Committee of Unsecured Creditors (the “**Committee**”) appointed in the chapter 11 cases of Ultra Petroleum Corp., *et al.*, as debtors and debtors in possession (collectively, the “**Debtors**”), by and through its undersigned counsel, herby files this Statement in Support of the Motion of the Ad Hoc Committee of Unsecured Creditors of Ultra Resources, Inc. (the “**Ad Hoc OpCo Committee**”) for an Order (I) Appointing a Trustee Pursuant to Section 1104(a) of the Bankruptcy Code, or (II) In the Alternative, Appointing Independent Directors to the Board of Ultra Resources, Inc. (“**OpCo**”) Pursuant to Sections 105(a), 1107(a) and 1108 of the Bankruptcy Code (Docket No. 875) (the “**Motion**”).²

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number (if any), are: Ultra Petroleum Corp. (3838); Keystone Gas Gathering, LLC; Ultra Resources, Inc. (0643); Ultra Wyoming, Inc. (6117); Ultra Wyoming LGS, LLC (0378); UP Energy Corporation (4296); UPL Pinedale, LLC (7214); and UPL Three Rivers Holdings, LLC (7158).

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion.

STATEMENT

1. The Ad Hoc OpCo Committee's Motion raises legitimate concerns about the OpCo board's consideration for the treatment of OpCo creditors under the Joint Chapter 11 Plan of Reorganization (Docket No. 817) (the "**Proposed Plan**") and highlights conflicts of interest among OpCo board members.

2. While the Committee believes that the appointment of a chapter 11 trustee is not appropriate at this time, the Committee supports the appointment of independent directors to the OpCo board. As the Court is aware, the Debtors negotiated the plan support agreement, backstop commitment agreement, and Proposed Plan with certain stakeholders of Ultra Petroleum Corp. and an ad hoc group of equityholders. The Proposed Plan was approved by the OpCo board despite a lack of engagement with OpCo creditors or the Committee. Not surprisingly, the treatment of OpCo creditors under the Proposed Plan has drawn harsh criticism from the Ad Hoc OpCo Committee and additional OpCo stakeholders. *See, e.g.*, Objection of OpCo Noteholders to Debtors' Motion for Entry of an Order Approving Disclosure Statement and Granting Related Relief (Docket No. 891); Objection of the Senior Creditor Committee to Debtors' Motion for Approval of Disclosure Statement, Solicitation Procedures and Forms, and Confirmation Schedule (Docket No. 921).

3. The Committee supports appointment of independent directors to the OpCo board to help ensure that OpCo stakeholders are adequately represented and to allay concerns about potential conflicts of interest with the Debtors' board. To the extent the Court determines that independent directors should be appointed to the OpCo board, the Committee requests the opportunity to participate in the selection of such independent directors, as their roles may have material impact on the development of these chapter 11 cases and the treatment of unsecured creditors.

Dated: January 12, 2017
Houston, Texas

Respectfully submitted,

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Certificate of Service

I hereby certify that on January 12, 2017, a true and correct copy of the foregoing document was served by e-mail on the parties who receive electronic notice in this case pursuant to the Court's ECF filing system.

/s/ Rene Olvera

Rene Olvera